

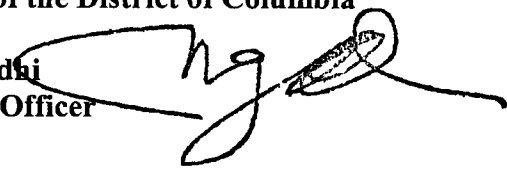
**Government of the District of Columbia  
Office of the Chief Financial Officer**



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Vincent C. Gray  
Chair, Council of the District of Columbia

**FROM:** Natwar M. Gandhi   
Chief Financial Officer

**DATE:** DEC 17 2007

**SUBJECT:** Fiscal Impact Statement: "Neighborhood Commercial Corridor Tax Relief Strategy Act of 2007"

**REFERENCE:** Bill Number 17-369 as Introduced

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**Conclusion**

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the proposed legislation requiring the Mayor to develop a real property tax relief strategy for businesses affected by District Department of Transportation construction. However, any future changes in real property tax law resulting from the strategy would have a fiscal impact that cannot be estimated at this time.

**Background**

The proposed legislation would require the Mayor to establish a real property tax relief strategy, within 90 days of the effective date of this Act, for small and local neighborhood businesses in low- and moderate-income neighborhoods in the District that experience an "economic impact" from transportation infrastructure construction projects in the neighborhood. An "economic impact" includes risk of solvency or loss of economic viability as a result of District Department of Transportation projects in commercial corridors of business. The strategy must include administrative processes for the review and analysis of real property tax relief requests, a report supporting the tax relief plan for an affected neighborhood, and accessibility to application forms via the Internet, the D.C. Office of Tax and Revenue, and the D.C. Chamber of Commerce.

### **Financial Plan Impact**

Funds are sufficient in the FY 2008 through FY 2011 budget and financial plan to implement the proposed legislation. It is expected that the real property tax relief strategy will have a fiscal impact, but not the development of the strategy. Any proposals for changes in real property tax law would require Council approval.